

IURC News Release
Indiana Utility Regulatory Commission
302 West Washington Street, Room E306
Indianapolis Indiana 46204

317.232.2297 office
317.233.1982 fax
www.in.gov/iurc

For Immediate Release
September 22, 2004

Contact: Mary Beth Fisher

IURC CLARIFIES ITS JURISDICTION OVER MERGERS AND ACQUISITIONS

The Indiana Utility Regulatory Commission (IURC) wishes to clarify public statements that have been made recently regarding the Commission's regulatory involvement in the sale of Indianapolis Power & Light (IPL) holding company IPALCO Enterprises, Inc. (IPALCO) to AES Corporation in 2001.

The IURC's authority under state law to review mergers and acquisitions of public utility holding companies was clearly articulated by the Indiana Supreme Court in 1999, when the IURC opened a proceeding to review the merger of Indiana Bell holding company (Ameritech), and SBC. In *Indiana Bell. v. Indiana Utility Regulatory Commission*, the Indiana Supreme Court held that Indiana law "...preclude[s] Commission jurisdiction over a transaction by a public utility's holding company." Thus, representations that the IURC had authority to approve or deny the acquisition of IPALCO by AES are inaccurate.

Since that 1999 decision, there have been numerous attempts in the Indiana General Assembly to pass legislation granting the IURC the authority to review utility mergers and acquisitions. To date, none has passed.

Indiana law requires the IURC act as an impartial fact-finding body. It has been and should remain inappropriate for any Governor or Lieutenant Governor to direct the bi-partisan Commission to take any specific regulatory action.

###